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**REINSURANCE COMMUTATION
AGREEMENT, SETTLEMENT AND RELEASE**

THIS REINSURANCE COMMUTATION AGREEMENT, SETTLEMENT AND RELEASE (the "Agreement") is made and entered into as of April , 2003, (the "Effective Date") by and between Paula T. Rogers, New Hampshire Commissioner of Insurance, solely in her capacity as Rehabilitator (the "Rehabilitator") of THE HOME INSURANCE COMPANY IN REHABILITATION ("Home"), and GERLING GLOBAL REINSURANCE CORPORATION - U.S. BRANCH CONSTITUTION INSURANCE COMPANY and Gerling Global Reinsurance Corporation of America (d/b/a Constitution Reinsurance Corporation) (collectively, "Gerling").

WITNESSETH:

WHEREAS, Home and Gerling entered into certain reinsurance agreements (the "Reinsurance Agreements") pursuant to which Home ceded to Gerling, and Gerling accepted from Home, a certain share of Home's liabilities as more fully reflected in the percentages of participation and periods for each respective Reinsurance Agreement as set forth therein; and

WHEREAS, in addition to their past and present obligations under the Reinsurance Agreements, Home and Gerling recognize and understand that a portion of their respective obligations thereunder may become due in the future; that these future obligations and liabilities cannot be determined in an amount certain at this time; and that a commutation of these past, present and uncertain obligations and the parties' past and present obligations will resolve all pending and outstanding issues between the parties and will eliminate the uncertainty of contingent liabilities for presently unresolved and/or unasserted claims with respect to the Reinsurance Agreements; and

WHEREAS, the parties agree that it is mutually in their best interests to fully and finally settle and commute their respective past, present and future rights, obligations and liabilities (whether known or unknown) under the Reinsurance Agreements with immediate effect and

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enter into mutual releases relating thereto, all in accordance with the terms and conditions hereinafter contained.

REDACTED

1. Within seven (7) days after execution of this Agreement by Home, Gerling will pay to Home the sum of _____, in full and final settlement of any and all past, present and future liabilities due or potentially due from the parties to this Agreement to each other under the Reinsurance Agreements, with time being of the essence in the performance by Gerling in effecting such payment. The payment of the Net Settlement Sum shall be effected by wire transfer as follows:

REDACTED



REDACTED

4. Subject to the terms of this Agreement and in consideration of and as a condition precedent to the timely payment of the Net Settlement Sum by Gerling, Home on behalf of itself, its officers, directors, employees, agents, attorneys, affiliates, shareholders, parents, predecessors, successors and assigns, hereby releases and discharges Gerling, its officers, directors, employees, agents, attorneys, affiliates, shareholders, parents, predecessors, successors and assigns to the extent permitted by law from any and all adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, premiums, returned premiums, unearned premiums, losses, salvage, commissions, variances, expenses, acts, omissions, executions, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, judgments, claims and demands whatsoever, all whether known or unknown in law or in equity, which Home ever had, now has, or hereafter may have against Gerling by reason of any matter whatsoever arising out of or in connection with or in relation to the Reinsurance Agreements. Additionally, Home fully understands and expressly waives its rights and benefits under any provision of law which substantially provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

REDACTED

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REDACTED

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective authorized officers.

**Paula T. Rogers, New Hampshire Commissioner of Insurance,
solely in her capacity as Rehabilitator of
The Home Insurance Company in Rehabilitation**

By: Peter Bengelsdorf Dated: 4-24-03

Name: Peter Bengelsdorf
Special Deputy Commissioner
Title: The Home Insurance Company in Rehabilitation

Gerling Global Reinsurance Corporation - U.S. Branch

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By: [Signature]
Name: KEVIN MCCAFFERTY
Title: President

Dated: 4-28-03

Constitution Insurance Company

By: [Signature]
Name: KEVIN MCCAFFERTY
Title: President

Dated: 4-28-03

Gerling Global Reinsurance Corporation of America
(f/k/a Constitution Reinsurance Corporation)

By: [Signature]
Name: KEVIN MCCAFFERTY
Title: President

Dated: 4-28-03